

Assembly Bill No. 2181

CHAPTER 252

An act to amend Sections 10106, 10107, and 10108 of the Public Contract Code, relating to public contracts.

[Approved by Governor September 23, 2010. Filed with
Secretary of State September 24, 2010.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2181, Hagman. State Contract Act: contracting by state agencies.

The State Contract Act requires projects that are not under the jurisdiction of specified departments to be under the charge and control of the Department of Transportation.

This bill would instead have those projects under the charge and control of the Department of General Services.

The State Contract Act authorizes those departments, where the nature of the work in the opinion of the department is such that its services in connection with a project are not required, to permit the carrying out of the project directly by the state agency concerned with the project, if the estimated project cost does not exceed \$400,000, except as provided.

This bill would increase that cost limit to \$600,000, as provided.

The people of the State of California do enact as follows:

SECTION 1. Section 10106 of the Public Contract Code is amended to read:

10106. For purposes of this chapter:

(a) "Department" means any of the following:

(1) The Department of Water Resources as to any project under the jurisdiction of that department.

(2) The Department of Transportation as to any project under the jurisdiction of that department.

(3) The Department of Boating and Waterways as to any project under the jurisdiction of that department pursuant to Article 2.5 (commencing with Section 65) of Chapter 2 of Division 1 of the Harbors and Navigation Code.

(4) The Department of Corrections and Rehabilitation with respect to any project under its jurisdiction pursuant to Chapter 11 (commencing with Section 7000) of Title 7 of Part 3 of the Penal Code.

(5) The Military Department as to any project under the jurisdiction of that department.

(6) The Department of General Services as to all other projects.

(b) “Director” means the director of each department as defined herein respectively.

SEC. 2. Section 10107 of the Public Contract Code is amended to read:

10107. Whenever provision is made by law for any project that is not under the jurisdiction of the Department of Water Resources, the Department of Boating and Waterways pursuant to Article 2.5 (commencing with Section 65) of Chapter 2 of Division 1 of the Harbors and Navigation Code, the Department of Corrections and Rehabilitation pursuant to Chapter 11 (commencing with Section 7000) of Title 7 of Part 3 of the Penal Code, the Department of Transportation, or the Military Department, the project shall be under the sole charge and direct control of the Department of General Services.

SEC. 3. Section 10108 of the Public Contract Code is amended to read:

10108. Where the nature of the work in the opinion of the department is such that its services in connection therewith are not required, it may authorize the carrying out of the project directly by the state agency concerned therewith if the estimated cost does not exceed six hundred thousand dollars (\$600,000), except that the six hundred thousand dollar (\$600,000) limitation shall not apply to a project of a district agricultural association or a project of the State Lands Commission. Any capital outlay project with a total value that does not exceed six hundred thousand dollars (\$600,000) may be budgeted as a minor capital outlay project. This limit shall be adjusted pursuant to subdivision (b) of Section 10105.

If the estimated total cost of any construction project or work carried out under this section exceeds twenty-five thousand dollars (\$25,000), the district or agency shall solicit bids in writing and shall award the work to the lowest responsible bidder or reject all bids. However, the director may authorize the district or agency to carry out work in excess of twenty-five thousand dollars (\$25,000) under the provisions of this section by day labor if he or she deems that the award of a contract, the acceptance of bids, or the acceptance of further bids is not in the best interests of the state. In no event shall the amount of work performed by day labor under this section exceed the sum of fifty thousand dollars (\$50,000) in the case of district agricultural association fair projects, or thirty-five thousand dollars (\$35,000) in other cases.